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7 UNITED STATES DISTRICT COURT

8 FOR THE CENTRAL DISTRICT OF CALIFORNIA

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10 United States ex rel. GNGH2 Inc.,) Case No.: 2:22-CV-05514-SB-PVC
11)
12 Plaintiff,)
13 vs.) FINAL JUDGMENT
14)
15 XLD CENTURY LLC et al.,)
16 Defendants.)
17)
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19 Plaintiff United States ex rel. GNGH2 Inc. (Relator) filed this False Claims
20 Act (FCA) lawsuit, alleging that Defendants XLD Century LLC and XLD Group
21 LLC were ineligible to receive \$4 million in Paycheck Protection Program loans
22 because they were both ultimately owned by Sichuan Xinglida, a Chinese entity.
23 The Court granted in part Relator's motion for summary judgment, finding that
24 Relator had proved falsity, materiality, and causation, but found a triable issue of
25 material fact as to scienter.

26 On July 11, 2024, the Court held a bench trial to determine whether Relator
27 could establish the element of scienter. Relator appeared by its attorney David
28 Abrams, and Defendants appeared by their attorney Dana Moon. After evaluating

1 the evidence at trial and considering the parties' written submissions, the Court
2 issues the final judgment as follows:

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4 THE COURT HEREBY ADJUDGES, ORDERS AND DECREES AS
5 FOLLOWS:

- 6 1. Relator has failed to carry its burden and is not entitled to recover on its
7 FCA claim;
8 2. Judgment is awarded in favor of Defendants and against Relator; and
9 3. Relator's claim against Defendants is hereby dismissed on the merits with
10 prejudice.
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12 IT IS SO ORDERED.

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14 Date: August 8, 2024



15 Stanley Blumenfeld, Jr.
16 United States District Judge
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